

# HOUSE BILL No. 1216

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 6-3.1-26.

**Synopsis:** Hoosier business investment tax credit. Removes the economic development for a growing economy (EDGE) board from the administration of the Hoosier business investment tax credit. Extends the deadline for making an investment for the Hoosier business investment tax credit with respect to taxpayers that do not use the calendar year as the taxpayers' taxable year so that the credit is available for investments made in two full taxable years.

**Effective:** Upon passage; January 1, 2004 (retroactive).

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**Ripley**

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January 13, 2004, read first time and referred to Committee on Ways and Means.

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Introduced

Second Regular Session 113th General Assembly (2004)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2003 Regular Session of the General Assembly.

## HOUSE BILL No. 1216

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A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 6-3.1-26-8, AS ADDED BY P.L.224-2003,  
2 SECTION 197, IS AMENDED TO READ AS FOLLOWS  
3 [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 8. (a) As  
4 used in this chapter, "qualified investment" means the amount of the  
5 taxpayer's expenditures for:  
6 (1) the purchase of new telecommunications, production,  
7 manufacturing, fabrication, assembly, extraction, mining,  
8 processing, refining, or finishing equipment;  
9 (2) the purchase of new computers and related equipment;  
10 (3) costs associated with the modernization of existing  
11 telecommunications, production, manufacturing, fabrication,  
12 assembly, extraction, mining, processing, refining, or finishing  
13 facilities;  
14 (4) onsite infrastructure improvements;  
15 (5) the construction of new telecommunications, production,  
16 manufacturing, fabrication, assembly, extraction, mining,  
17 processing, refining, or finishing facilities;

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(6) costs associated with retooling existing machinery and equipment; and

(7) costs associated with the construction of special purpose buildings and foundations for use in the computer, software, biological sciences, or telecommunications industry.

that are certified by the board under this chapter as being eligible for the credit under this chapter.

(b) The term does not include property that can be readily moved outside Indiana.

SECTION 2. IC 6-3.1-26-13, AS ADDED BY P.L.224-2003, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 13. A taxpayer that

(1) is awarded a tax credit under this chapter by the board; and  
(2) complies with the conditions set forth in this chapter and the agreement entered into by the board and the taxpayer under this chapter;

**makes a qualified investment** is entitled to a credit against the taxpayer's state tax liability in a taxable year.

SECTION 3. IC 6-3.1-26-19, AS ADDED BY P.L.224-2003, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2004 (RETROACTIVE)]: Sec. 19. A person is not entitled to claim the credit provided by this chapter for any jobs that the person relocates from one (1) site in Indiana to another site in Indiana. ~~Determinations under this section shall be made by the board.~~

SECTION 4. IC 6-3.1-26-26, AS ADDED BY P.L.224-2003, SECTION 197, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 26. **(a) This subsection applies to a taxpayer that uses a calendar year as the taxpayer's taxable year for purposes of filing the taxpayer's federal income tax return.** Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a credit for a qualified investment made after December 31, 2005. However, this section may not be construed to prevent a taxpayer from carrying an unused tax credit attributable to a qualified investment made before January 1, 2006, forward to a taxable year beginning after December 31, 2005, in the manner provided by section 15 of this chapter.

**(b) This subsection applies to a taxpayer that does not use a calendar year as the taxpayer's taxable year for purposes of filing the taxpayer's federal income tax return. Notwithstanding the other provisions of this chapter, a taxpayer is not entitled to a**

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1 credit for a qualified investment made after December 31, 2006.  
 2 However, this section may not be construed to prevent a taxpayer  
 3 from carrying an unused tax credit attributable to a qualified  
 4 investment made before January 1, 2007, forward to a taxable year  
 5 beginning after December 31, 2006, in the manner provided by  
 6 section 15 of this chapter.

7 SECTION 5. IC 6-3.1-26-27 IS ADDED TO THE INDIANA CODE  
 8 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE  
 9 JANUARY 1, 2004 (RETROACTIVE)]: **Sec. 27. To receive the credit**  
 10 **provided by this chapter, a taxpayer must claim the credit on the**  
 11 **taxpayer's annual state tax return or returns in the manner**  
 12 **prescribed by the department of state revenue. The taxpayer shall**  
 13 **submit to the department of state revenue all information that the**  
 14 **department of state revenue determines is necessary for the**  
 15 **calculation of the credit provided by this chapter and for the**  
 16 **determination of whether the taxpayer has made a qualified**  
 17 **investment as required under section 14 of this chapter.**

18 SECTION 6. THE FOLLOWING ARE REPEALED [EFFECTIVE  
 19 JANUARY 1, 2004 (RETROACTIVE)]: IC 6-3.1-26-2; IC 6-3.1-26-3;  
 20 IC 6-3.1-26-5; IC 6-3.1-26-12; IC 6-3.1-26-17; IC 6-3.1-26-18;  
 21 IC 6-3.1-26-20; IC 6-3.1-26-21; IC 6-3.1-26-22; IC 6-3.1-26-23;  
 22 IC 6-3.1-26-24; IC 6-3.1-26-25.

23 SECTION 7. P.L.224-2003, SECTION 198, IS AMENDED TO  
 24 READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: SECTION  
 25 198. (a) **This subsection applies to a taxpayer that uses a calendar**  
 26 **year as the taxpayer's taxable year for purposes of filing the**  
 27 **taxpayer's federal income tax return.** Subject to carryovers  
 28 authorized by IC 6-3.1-26-15, as added by this act, IC 6-3.1-26, as  
 29 added by this act, applies to taxable years beginning after December  
 30 31, 2003, and ending before January 1, 2006.

31 (b) **This subsection applies to a taxpayer that does not use a**  
 32 **calendar year as the taxpayer's taxable year for purposes of filing**  
 33 **the taxpayer's federal income tax return.** Subject to carryovers  
 34 authorized by IC 6-3.1-26-15, as added by P.L.224-2003,  
 35 IC 6-3.1-26, as added by P.L.224-2003, applies to taxable years  
 36 beginning after December 31, 2003, and ending before January 1,  
 37 2007.

38 SECTION 8. **An emergency is declared for this act.**

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